ENERGY ASSURANCE DAILY

Wednesday Evening, July 02, 2008

Electricity

Fire Reported at AEP's 1,584 MW Welsh Coal-fired Plant in Texas June 29

A company spokesman reported a "fire in bunker", taking its 558 MW Unit 1 out of service on June 29. http://www.bloomberg.com/apps/news?pid=20601072&sid=arPx5CxRGF6w&refer=energy

Nuke Plant Operators Not in Compliance with Fire Safety Rules – GAO

The Government Accountability Office (GAO) has reported that nuclear power plant operators are not complying with the government's fire safety rules, which where issued three decades ago. The GAO found an average of 10 fires a year mostly related to electrical problems or periods of maintenance. However, none of the fires have shut down a reactor or posed a significant threat.

http://www.wtop.com/?nid=116&sid=1431580

Wisconsin Public Service's 525 MW Weston Coal-fired Unit 4 in Wisconsin in Commercial Operation July 2

The new power plant uses clean coal technology and features sophisticated emissions controls to minimize environmental impacts.

http://www.integrysgroup.com/news/view article.cfm?companyID=WPSC&reckey=01634

PG&E's 51 MW Electra Hydro-Powered Unit 1 in California Shut by July 1

According to the California Independent System Operator, the unit experienced an unplanned outage by July 1. http://www.caiso.com/unitstatus/data/unitstatus200807011515.html

PG&E's 51 MW Electra Hydro-Powered Unit 2 in California Shut by July 1

According to the California Independent System Operator, the unit experienced an unplanned outage on by July 1. http://www.caiso.com/unitstatus/data/unitstatus/200807011515.html

Enmax's 250 MW Calgary Gas-fired Unit in Alberta Shut July 1

Reuters, 9:00 July 2, 2008

TransAlta's 381 MW Keephills Coal-fired Unit 2 in Alberta Shut June 30

Reuters, 19:30 July 1, 2008

AEP's 675 MW Pirkey Coal-fired Unit in Texas Shut July 2

The unit experienced an unplanned outage to repair a tube leak.

http://www2.tceq.state.tx.us/eer/main/index.cfm?fuseaction=getDetails&target=110446

FirstEnergy's 1,235 MW Perry Nuke Unit 1 in Ohio Reduced to 79 Percent by July 2

The unit's capacity was reduced to make fuel rod adjustments. The unit is expected to return to full power later today.

Bloomberg News, 11:44 July 2, 2008

Information also derived from the NRC Power Reactor Status Reports:

http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/

Update: Dominion's 871 MW Millstone Nuke Unit 2 in Connecticut Ramped Up to 70 Percent by July 2

The unit was shut on June 28 after seeing some oscillations in the feedwater heater system during valve testing. Reuters, 08:14 July 2, 2008

Information also derived from the NRC Power Reactor Status Reports:

http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/

Update: Duke Energy's 1,100 MW McGuire Nuke Unit 1 in North Carolina at Full Power by July 2

The unit was shut by June 26, and NRC reported that on the morning of July 1 the unit was operating at 74 percent. Reuters, 08:17 July 2, 2008

Information also derived from the NRC Power Reactor Status Reports:

http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/

Petroleum

Louisiana Lifts Temporary Ban of Drilling Oil and Gas Wells Near Highways

The ban, enacted November 15 after a gas well explosion near Baton Rouge, has been lifted. Drilling within a quarter mile of interstate highways will now be permitted.

http://www.canadianbusiness.com/markets/market_news/article.jsp?content=D91KL6401

Natural Gas

Nautilus Pipeline Company Declares Force Majeure for its 600 MMcf/d Nautilus Pipeline Offshore Louisiana July 2

Nautilus has shut the pipeline, "due to an excessive amount of liquids being handled at the slug catcher" effective 9:00 am July 2. Liquids previously clogged the slug catcher and shut the pipeline from May 10 to June 24, 2008. http://www.enbridgeus.com/Main.aspx?id=557&tmi=220&tmt=4

http://www.enbridgeus.com/Reports/reportloconce.aspx?pl=1&rptSite=1&rpt=%2fnotice%2fdefault.asp%3fpipe%3dnaut%23critical&tmi=893&tmt=5

El Paso Announces 255,000 Dth/d Expansion Plans for WIC Pipeline System

The expansion is anticipated to be complete by March 2011.

http://investor.elpaso.com/phoenix.zhtml?c=97166&p=irol-newsArticle&ID=1171599&highlight=

Other News

Nothing to Report.

Energy Prices

U.S. Oil and Gas Prices July 2, 2008			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	142.72	132.28	71.11
NATURAL GAS Henry Hub \$/Million Btu	13.28	12.96	6.24

Source: Reuters

Energy Notes

A Temporary Upset Causes Flaring at Shell's 340,000 b/d Deer Park, Texas Refinery July 2 Bloomberg News, 08:58 July 2, 2008

Boiler Fault Causes Flaring at ConocoPhillips's 46,500 b/d Santa Maria Refinery in California July 1

Bloomberg News, 01:39 July 2, 2008

Al Qaeda Targeting U.S. Crude Oil Interests in North Africa

http://uk.reuters.com/article/oilRpt/idUKL0161813020080701?pageNumber=1&virtualBrandChannel=0&sp=true

MDU Resources Plans 40 MMcf/d Expansion of its Grasslands Pipeline from Wyoming to North Dakota

http://www.mdu.com/information_news/news_articles/news188.html

IEA Warns of a Tight Oil Market Until 2013 July 1

http://www.rigzone.com/news/article.asp?a_id=63659

Joint Ventures in Qatar to Increase LNG Supplies over Next Two Years

http://www.downstreamtoday.com/News/Articles/200807/Tillerson ExxonMobil JVs To Outpace Ind 11638.asp x

Update: NRC Approves NPPD's Request to Increase Capacity at Cooper Nuke Plant in Nebraska from 815 MW to 850 MW

http://www.nrc.gov/reading-rm/doc-collections/news/2008/08-124.html

Update: NRC Approves Luminant's Request to Increase Capacity at Comanche Peaks's 1,210 Nuke Unit 1 and 1,259 MW Nuke Unit 2 in Texas by 4.5 Percent

http://www.nrc.gov/reading-rm/doc-collections/news/2008/08-122.html

NRC Considering Possibility of Attacks on Nuclear Waste Storage Facilities

%22Minerals+and+Energy+Department%22&st=nyt&oref=slogin&oref=slogin

IEA Forecasts Little Oil Production Increase from Non-OPEC Countries

http://www.ft.com/cms/s/73d47eaa-47d1-11dd-93ca-

<u>000077b07658,Authorised=false.html? i_location=http%3A%2F%2Fwww.ft.com%2Fcms%2Fs%2F0%2F73d47ea</u>a-47d1-11dd-93ca-000077b07658.html%3Fnclick_check%3D1&_i_referer=&nclick_check=1

Links

This Week in Petroleum from the Energy Information Administration (EIA)

http://tonto.eia.doe.gov/oog/info/twip/twip.asp

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html Updated after 10:30 AM & 1:00 PM EST every Wednesday.

Natural Gas Weekly Update from EIA

http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp

Updated after 2:00 PM EST every Thursday.

ENERGY ASSURANCE DAILY

Energy Assurance Daily provides a summary of public information concerning current energy issues. Published Monday through Friday to inform stakeholders of developments affecting energy systems, flows, and markets, it provides highlights of energy issues rather than a comprehensive coverage. Energy Assurance Daily is updated online Monday through Friday after 5:00 p.m. EST. For more information, visit the Infrastructure Security and Energy Restoration (ISER) website at: http://www.oe.netl.doe.gov/index.aspx.

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